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Chief, Economic Research, ORR

6 November 1958

Chief, Industrial Division, ORR

Monthly Report, October 1958

1. Support to other components:

a. Evaluation of the Soviet ICBM Estimate (11-5-58): At the request of the DCI, GMIC has evaluated subject estimate and I/GM, aided by other ERA branches has contributed to that part of the evaluation related to production and deployment. The evaluation is based on current activities required to support Soviet programs of estimated magnitude. The I/GM contribution was singled out for informal commendation by ONE Staff. On 28 October, Chief, I/GM also briefed GMIC on the major findings of the evaluation. The study is now being exploited by I/GM to devise new suggestions for collection. [REDACTED] I/GM member of the DD/P Task Force, is developing suggestions for the DD/P in this connection. 25X1A9a

b. Inspection systems against surprise attack: At the request of Dr. Kistiakowsky of the US delegation to the forthcoming Geneva meetings in the above subject, Chief, D/I prepared a study on the feasibility of developing indications of a surprise attack from an agreed upon inspection of the Soviet industrial system. The study concludes that observation of industrial activities would be most useful if the agreement includes limitations on size of strategic attack forces. 25X1D0a



d. Gaps in Soviet Military Expenditures: I/ME's contribution to NIE 11-4-58 (distributed on 4 November as IP-643), based on revisions in service estimates and refinements in analysis, runs as much as 10 percent below previous estimates for certain years. It should be noted that the break in the trend of estimated Soviet military requirements in 1957-58, as compared with total estimates of machinery and electronics production for these years may imply the existence of an unaccounted for Soviet military program.

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e. Briefing of AFCIN officer on military costing: As previously reported, AFCIN continues to show an interest in I/ME's military costing techniques. The branch briefed Dr. Passony (AFCIN), on methods and problems of military costing. At Dr. Passony's suggestion I/ME will participate in a joint briefing of the Library of Congress, Air Information Staff in November. Dr. Passony is also to arrange with the [REDACTED] for ORR 25X1A5a1 collaboration on the costing of Soviet Air Force expenditures.

25X1A9a. [REDACTED], I/EE is presently supporting the US/USSR Electronic Exchange as an interpreter.

25X1A9a. [REDACTED] Chief, I/PE completed a month of duty as interpreter to the US/USSR Steel Exchange.

2. Conferences:

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a. [REDACTED] of I/AR participated in the [REDACTED] 13-21 October. Minutes of the Conference will be distributed [REDACTED] 25X1X7

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25X1A9a. [REDACTED] of I/ME are to participate in [REDACTED] 27-31 October.

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c. I/SH has completed its contributions to the 1958 Shipbuilding Conference [REDACTED] on 17-19 November. [REDACTED] will attend and deliver papers. They will also attend the [REDACTED] on 10-14 November.

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25X1A9a. [REDACTED], Chief, I/EE is to visit [REDACTED] 12-14 November to complete plans for the [REDACTED] scheduled to meet there in January 1959.

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3. Future Plans:

a. The USIB Ad Hoc Panel of Consultants is being convened on 12 November to consider GMIC's evaluation of NIE 11-5-58. (See Para. 1a, above).

a. I/GM is to brief this Panel on the production and deployment aspects of the guided missiles program. Some reservations are being entertained on the usefulness of the contribution which the Ad Hoc Panel can make in a three day consideration of the whole program, which allots one day for briefings, one day for discussion, and one day for the preparation and presentation of a report.

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b. At the invitation of OO/C, the DD/I members of the DD/P Task Force are to present a guided missile intelligence briefing at a regional conference of OO Field Offices [REDACTED] in mid-November. It is intended to point the briefing toward the improved exploitation of [REDACTED] on guided missile targets. 25X1A6aR

25X1X7

c. D/I is actively engaged in the selection of a PCS replacement for [REDACTED] to aid in the exploitation of the [REDACTED] repatriates. 25X1A6a

d. Consideration is being given to recommending that Mr. [REDACTED] be directed to survey, prior to his return, the current status of the [REDACTED] repatriate interrogation program [REDACTED]. Such a directive will require coordination with WE & SE. 25X1A6a

25X1A9a [REDACTED] is to be the ORR representative on an Agency group to visit the Ballistic Missile headquarters in mid-November, to survey BMD document output and to arrange for CIA receipt on a continuing basis of selected reports.

f. I/EE's review of the USA/CIA contribution to the Electronic Equipment section of the East German NIS shows the contribution to be deficient in quality, as were the earlier contributions of that Agency to similar NIS sections on Poland and Czechoslovakia. Plans are being made to discuss the contribution with ACSI personnel.

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